

AN ORDINANCE      100964

**AUTHORIZING A LOAN OF \$300,000.00 FROM THE ECONOMIC DEVELOPMENT INCENTIVE FUND TO PARK CENTRE TOWERS, LTD. (THE "DEVELOPER"), FOR THE PARK CENTRE PROJECT TO SUPPORT MARKETING AND OTHER PRE-DEVELOPMENT EFFORTS TO PROMOTE DEVELOPMENT OF TWO MID-RISE CONDOMINIUM TOWERS AND TOWN HOMES ON THE NEAR EASTSIDE OF DOWNTOWN; APPROPRIATING FUNDS AND AUTHORIZING PAYMENT CONTINGENT UPON THE DEVELOPER SECURING TITLE TO THE PROPERTY FROM VIA METROPOLITAN TRANSIT; AND AUTHORIZING THE NEGOTIATION OF AN AGREEMENT SETTING OUT THE TERMS AND CONDITIONS OF THE LOAN, AS REQUESTED BY MAYOR EDWARD D. GARZA.**

\* \* \* \* \*

**WHEREAS**, a local development group, led by Jeff Rochelle, Zachary Realty and Presidian Companies (the "Developers"), proposes to develop two condominium towers and town homes on the near Eastside of downtown (the "Project"); and

**WHEREAS**, the Project is estimated to cost \$68 million and will be constructed in two phases, the first of which will consist of two towers of 124 condominium units each, for a total of 248 units with a projected sales price of \$308,417.00 per unit, and the second phase consisting of 60 three-story town homes with a projected sales price of \$235,236.00 per unit; and

**WHEREAS**, in order to fund the Project, the Developers are seeking predevelopment and marketing assistance in the amount of \$300,000.00 towards the \$1,101,286.00 budgeted for pre-opening and marketing costs for Phase I, gap financing and long-term tax incentives for the Project; and

**WHEREAS**, pursuant to a Request for Council Consideration memo initiated by Mayor Edward D. Garza and dated April 21, 2005, staff was directed to place an item on a future City Council agenda, allocating the requested sum of \$300,000.00 from the Economic Development Incentive Fund (EDIF); using funding reserved for a Neighborhood Improvement District challenge program; and

**WHEREAS**, pursuant to the EDIF Guidelines adopted by City Council by passage of Ordinance No. 99308 on June 3, 2004 money in this Fund is to be used to: (1) retain or locate companies in the targeted industries of: Agribusiness, Information Technology and Security, Aviation/Aerospace, Logistics and Distribution, Biotechnology, Manufacturing, High Level Business Services, Telecommunications, and in instances when such company will: (2) undertake new planned investment and real and/or personal property exceeding \$50 million; (3) directly create at least 500 full-time, permanent positions within one year of project completion; and (4) compensate its employees 1.5 times the City's Wage Standard and provide access to health insurance for its employees and their dependents; and

**WHEREAS**; notwithstanding the fact that this Project does not meet provisions of the EDIF Guidelines related to targeted industry, job creation, and employee wage/health benefits, City Council desires to fund the requested \$300,000.00 from the Economic Development Incentive Fund in the form of a loan because the Project supports the City Council's goal for Eastside redevelopment and specifically its interest in promoting residential development in the near Eastside of the Central Business District, as recommended

in the Urban Land Institute (ULI) Report accepted by City Council on April 21, 2005; **NOW THEREFORE:**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** A loan is hereby authorized to Park Centre Towers, LTD (the "Developer") in the amount of \$300,000.00 from the Economic Development Incentive Fund, contingent upon the Developer securing title to the property upon which the Project will be constructed from VIA Metropolitan Transit.

**SECTION 2.** Staff is authorized to negotiate the terms and conditions of an agreement with the Developer, which agreement will set out the terms and conditions for the Project, including this loan, and which will be subject to future consideration and approval by City Council.

**SECTION 3.** Funds in the amount of \$300,000.00 are authorized to be encumbered in Cost Center 1604010001, General Ledger 5202020 entitled, "Contractual Services", in Fund 29059000 entitled, "Economic Development Incentive Fund" and are authorized to be paid to Park Centre Towers, Ltd., contingent upon Park Centre Towers, Ltd. having satisfied certain conditions to funding which will be set out in the agreement referenced in Section 2 above, including ownership of the underlying property.

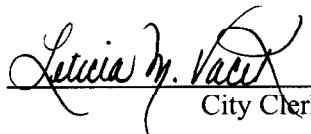
**SECTION 4.** The Director of Finance is authorized to record and account for the loan in accordance with Generally Accepted Accounting Principles (GAAP) and all applicable laws.

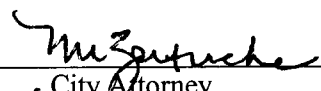
**SECTION 5.** The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

**SECTION 6.** This ordinance shall be effective on and after the tenth (10th) day after passage hereof.

**PASSED AND APPROVED** this 26th day of May, 2005.

  
**M A Y O R**  
**EDWARD D. GARZA**

**ATTEST:**   
City Clerk

**APPROVED AS TO FORM:**   
for City Attorney

# Agenda Voting Results

**Name:** 35.

**Date:** 05/26/05

**Time:** 07:25:54 PM

**Vote Type:** Multiple selection

**Description:** An Ordinance authorizing a loan of \$300,000.00 from the Economic Development Incentive Fund to Park Centre Towers, Ltd. (the "Developer"), for the Park Centre Project to provide marketing and other pre-development efforts to promote development of two mid-rise condominium towers and town homes on the near eastside of downtown; appropriating and authorizing payment contingent upon the Developer securing title to the property from VIA Metropolitan Transit; granting a variance to the Economic Development Incentive Fund; and authorizing the negotiation of an agreement setting out the terms and conditions of the loan; as requested by Mayor Edward D. Garza. [Presented by Ramiro A. Cavazos, Director, Economic Development; Jelynn LeBlanc Burley, Assistant City Manager]

Voter	Group	Status	Yes	No	Abstain
ROGER O. FLORES	DISTRICT 1	Not present			
JOEL WILLIAMS	DISTRICT 2		x		
RON H. SEGOVIA	DISTRICT 3		x		
RICHARD PEREZ	DISTRICT 4		x		
PATTI RADLE	DISTRICT 5		x		
ENRIQUE M. BARRERA	DISTRICT 6		x		
JULIAN CASTRO	DISTRICT 7		x		
ART A. HALL	DISTRICT 8		x		
CARROLL SCHUBERT	DISTRICT 9		x		
CHIP HAASS	DISTRICT_10		x		
MAYOR ED GARZA	MAYOR		x		